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FOREIGN CROPS AND MARKETS

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LATE CABLES

Crop conditions eastern Canada well maintained. Some deterioration of crop prospects in Prairie Provinces resulted from week of high temperatures and little rainfall. Early sown wheat in central and southern districts of Manitoba and Saskatchewan badly burned and filling of heads impaired. Prospects in Alberta continue favorable, although moisture reserves have been heavily drawn upon to support rapid growth. Grasshoppers active and still threatening crops but very little hail damage reported during week. (Dominion Bureau of Statistics, Ottawa.)

Greece 1939 grain acreages reported as follows, with 1938 comparisons in parentheses: Wheat 2,362,000 acres (2,062,000), rye 157,000 (171,000), barley 537,000 (512,000), oats 401,000 acres (358,000). (International Institute of Agriculture, Rome.)

Bulgaria 1939 production estimates placed as follows, with 1938 comparisons in parentheses: Wheat 71,172,000 bushels (78,951,000), rye 9,684,000 (7,397,000), barley 15,340,000 (16,294,000), oats 8,818,000 bushels (6,137,000). (International Institute of Agriculture, Rome.)

British Board of Trade announces additional bacon allocation to quota countries for July because of temporary deficiency of Irish bacon. United States share is 2,391 hundredweight (268,000 pounds). (L. V. Steere, Agricultural Attaché, London.)

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WHEAT PROSPECTS IN THE SOUTHERN HEMISPHEREArgentina

Drought conditions in Argentina delayed wheat seedings for the 1939-40 crop, and sowing operations are still in progress in the Province of Buenos Aires, according to Agricultural Attaché P. O. Nyhus at Buenos Aires. Because of delayed seedings and dissatisfaction with prices received for low-grade wheat not included under the minimum-price regulations, a reduction of about 10 percent in the total acreage sown is expected. The area sown in 1938-39, however, was the largest reported since 1930-31; and, even with a decrease of 10 percent this season, the total would be about 18.8 million acres, or 5 percent above the average sown during 1933-34 to 1937-38.

Soil conditions were apparently satisfactory early in July, but the lack of reserve moisture had not been entirely corrected by May and June rainfall in some sections of the Wheat Belt. This fact, together with the lateness of sowings, indicated that crop conditions were hardly up to average at that time.

Australia

The seeding of wheat for the 1939-40 Australian harvest was completed under generally favorable conditions, according to a cable from the International Institute of Agriculture at Rome. In New South Wales, which is the most important wheat-producing State, excellent growth has been made under fairly favorable weather conditions. Germination was even and uniform in Western Australia but somewhat irregular in South Australia.

No estimate of the 1939-40 acreage sown has been received from official sources, but trade reports indicate a total of about 13.5 million acres as compared with 14.1 million acres reported for 1938-39 and an average during 1933-34 to 1937-38 of 13.1 million acres.

THE ORIENTAL WHEAT MARKETChina

The Shanghai wheat and flour markets were quite dull during the month ended July 15 as a result of legislation limiting cash withdrawals from banks, according to a radiogram from the United States consulate general at Shanghai. Drought conditions in North China had not improved except for local rainfall around June 24, which was too late to help the wheat crop. The total 1939 harvest for the third consecutive year was below average, but arrivals of new-crop domestic wheat at Shanghai had increased slightly. Local mills were not purchasing, and mill activity was reduced to about 30 percent of normal capacity. Two mills had closed down because of decreased flour sales. Some new-crop wheat had been

bought by Japanese interests running mills formerly belonging to the Chinese, but most of the new arrivals went into storage. Shanghai stocks of wheat were estimated at 3,800,000 bushels and flour at 800,000 bags. The cash-withdrawal limitation greatly hampered large-scale business with Tientsin, and sales to South China ports were cut off by Japanese blockade and military occupation.

Prices of wheat on July 15 were quoted as follows: Australian, 63 cents per bushel; Western White No. 2, 49 cents; domestic wheat, 46 cents per bushel. Domestic flour was 59 cents per bag; Australian, c.i.f. Hong Kong, \$2.75 per barrel of 196 pounds. Imports of wheat and flour into China during May were unusually heavy, and the totals for 11 months of the marketing year approximated 10 million bushels of wheat and 3 million barrels of flour.

CHINA: Imports of wheat and wheat flour, by countries of origin, May 1939, with comparisons

Country	May			July-May		
	1937	1938	1939	1936-37	1937-38	1938-39
<u>Wheat</u>	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	0	0	365	a/	0	2,457
Canada	0	0	33	0	0	33
Australia....	183	0	2,122	1,767	0	7,076
Others	a/	0	-	a/	a/	a/
Total	183	0	2,520	1,767	a/	9,566
<u>Flour</u>	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels
United States	4	9	269	31	139	741
Canada	10	11	8	114	70	83
Australia ...	7	169	389	106	431	1,730
Japan	b/	214	30	8	723	473
Others	b/	10	22	2	36	62
Total	21	413	718	261	c/1,399	3,089

a/ Less than 500 bushels. b/ Less than 500 barrels. c/ Large quantities of Japanese flour entered China in 1937-38 that were not officially reported.

Manchuria

Government measures to encourage wheat production in Manchuria are reported by Consul George R. Merrell at Harbin to have resulted in a larger acreage than earlier prospects indicated, but some damage to the crop from excessive moisture was feared. Manchurian authorities are said to have planned for the importation of 3 million bags of United States and Australian flour, half of which was expected to arrive early in July. Payment for such imports was to be linked with exports of staple produce and manufactured

goods. It was also planned by Manchurian authorities to purchase all the 1939 domestic wheat crop, apportion it among the mills through a Government agency, and then distribute the flour milled from this wheat.

Japan

Prices of domestic and foreign wheat were lower in Japan on July 1 than a month earlier, but flour prices were unchanged, it was reported by Consul General Charles R. Cameron at Tokyo. Mill operations and the domestic flour market were considered normal, but export business in flour was poor. Foreign wheat was quoted at the mill on July 1 as follows, import duty and landing charges included: Western White No. 2, 87 cents per bushel; Canadian No. 1, \$1.14, No. 3, \$1.05; Australian, 99 cents; Manchurian (nominal), \$1.69 per bushel. Domestic standard was \$1.37 per bushel; Portland, c.i.f. Yokohama, 55 cents, import duty and landing charges excluded. The wholesale price of flour at the mill was \$1.40 per bag; c.i.f. Dairen, \$1.64; and c.i.f. Tangku, \$1.55 per bag.

Imports of wheat during May were the largest for any month so far this season, but the total for July-May was 73 percent smaller than for the corresponding period of 1937-38. Exports of flour during May were the largest since December 1938 but considerably smaller than those of May 1938. Based on incomplete official estimates, the 1939 Japanese wheat crop is expected to be the largest on record. It therefore seems unlikely that heavy imports will continue into the new marketing season, unless Japanese flour finds an increased export outlet in North China.

JAPAN: Imports of wheat, by countries of origin, and total exports of flour, May 1939, with comparisons

	May			July-May		
	1937	1938	1939	1936-37	1937-38	1938-39
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
<u>Imports of wheat</u>						
Australia	112	95	18	2,385	1,751	208
Argentina	73	-	-	444	128	42
Canada	112	-	-	2,433	689	-
United States	-	-	-	129	42	-
China	-	-	183	751	6	368
Manchuria and others	168	154	130	1,185	1,281	441
	465	249	331	7,327	3,897	1,059
	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels
Exports of flour	57	285	145	920	2,644	2,160

SEMIHARD-WHEAT PRODUCTION INCREASES IN ARGENTINA

An analysis of Argentine wheat varieties made by the National Grain and Elevator Commission showed that the predominance of semihard wheats, noted in earlier years, became even more marked in 1938-39, according to a report from Agricultural Attaché P. O. Nyhus at Buenos Aires. The production of hard wheat as a percentage of the total 1938-39 crop indicated a decline, although the quantity actually produced was the largest reported during the years 1935-36 to 1938-39. Soft wheat steadily declined in percentage of total production during these years but varied in amount because of variations in crop totals. Varieties considered unsuitable and those unclassified also showed a downward trend.

Semihard wheat, grown throughout the Wheat Belt, is most important in the Provinces of Santa Fé, Córdoba, and Santiago del Estero, which together produce about 40 percent of the total Argentine crop. Hard wheat is grown in parts of Buenos Aires, Córdoba, and the Territory of La Pampa.

WHEAT: Production in Argentina, by classes,
1938-39 with comparisons

Classes	1935-36	1936-37	1937-38	1938-39
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Hard.....	57,500	91,600	56,200	97,900
Semihard.....	52,500	111,000	99,000	202,700
Soft.....	13,800	21,500	14,300	15,700
Unsuitable.....	11,500	13,300	8,000	13,600
Other.....	6,200	11,800	7,300	6,300
Total.....	141,500	249,200	184,800	336,200
Percentage of total				
	Percent	Percent	Percent	Percent
Hard.....	40.63	36.76	30.45	29.11
Semihard.....	37.10	44.57	53.56	60.30
Soft.....	9.73	8.60	7.73	4.68
Unsuitable	8.11	5.32	4.31	4.05
Other.....	4.43	4.75	3.95	1.86
Total.....	100.00	100.00	100.00	100.00

DROUGHT CONTINUES TO AFFECT CHINESE COTTON CROP

Dry weather seriously affecting the cotton crop in most areas of North China has continued, according to a radiogram received from the American consulate general at Shanghai. Drought conditions prevail over large areas of the five North China Provinces, though it was reported that some sections of Shantung Province were slightly relieved with

moderate rainfall toward the end of June. A small percentage of the farmers have well irrigation and will be able to obtain a crop in spite of the dry weather. Plantings in Central China are reported 20 percent below those of last year. This increases further the prospects for an unusually low crop that were indicated in last month's radio, since Central China normally produces about 50 percent of the total harvest. The smaller plantings are the result of extensive fighting and Chinese Government restrictions. Weather in Central China has been favorable, but the recent typhoon may have damaged to some extent the coastal regions of Kiangsu and Chekiang Provinces.

Exports of North China cotton regained importance with much larger arrivals at Tientsin. Moderate shipments from Hankow to Shanghai have been made by Japanese. Movements of cotton in limited quantities to Hankow from the interior started in June and may soon be increased. Arrivals of domestic cotton in Shanghai from all nearby districts continued low.

Imports of foreign cotton, amounting to 156,400 bales of 478 pounds during May, were the highest monthly imports since May 1932 when imports totaled 172,719 bales. Purchases since June have been light because of the difficulty experienced in securing foreign exchange, combined with a stricter blockade of the China coast that affected yarn sales. Japanese spinners in China have also been affected, especially those in Tsingtao and Tientsin, who have been obtaining their supplies from Shanghai in exchange for cotton manufactures.

It is reported that Shanghai cotton stocks are sufficient for about 3 months' requirements. Those mills operating in Shanghai were still running at full capacity, but curtailed activity was expected soon. Consumption of cotton in China, including Manchuria, for June was about the same as for the previous month. Further curtailment occurring in Manchuria and North China was offset by increased activity in the Chinese-controlled areas.

CHINA: Imports and exports of raw cotton, May 1939 with comparisons a/
(In bales of 478 pounds net)

Item	May			October-May		
	1937	1938	1939	1936-37	1937-38	1938-39
Imports	Bales	Bales	Bales	Bales	Bales	Bales
United States	1,240	216	16,071	12,486	216	60,924
British India	2,202	2,102	136,943	9,871	9,879	296,055
Egypt.....	1,763	0	3,204	22,298	461	21,988
Others.....	3,767	220	10,182	21,207	2,094	88,554
Total.....	8,972	2,538	166,400	65,862	12,650	467,521
Exports.....	18,943	71,761	3,629	219,251	235,109	147,177

American consulate general, Shanghai, and Monthly Returns of the Foreign Trade of China.

a/ Excluding Manchuria.

EGYPTIAN COTTON ACREAGE REDUCED

The Egyptian area under cotton for 1939 totals 1,687,000 acres, according to a cable received from the International Institute of Agriculture at Rome. This compares with 1,852,000 acres planted last year and represents a reduction of 9 percent. It is reported that weather conditions this season have been generally satisfactory and the progress of the crop has been normal.

According to a report received from American Consul C. Paul Fletcher at Alexandria, the reduced 1939 plantings are the result of the poor yield and the low price cotton growers obtained from the 1938 crop and also the difficulty they experienced in marketing that crop.

EGYPT: Cotton acreage, production, and yield, 1939-40
with comparisons

Season	:	Acreage	:	Production	:	Yield per acre
	:	1,000 acres	:	1,000 bales a/	:	Pounds
Average 1933-34 to :			:		:	
1937-38	:	1,848	:	1,856	:	480
1938-39	:	1,852	:	1,728	:	446
1939-40	:	1,687	:	-	:	-
	:		:		:	

a/ Of 478 pounds.

INTERNATIONAL TRADE IN COTTON, AUGUST-MAY 1938-39

During the first 10 months of the current season, August-May, the world's leading cotton exporting countries have shipped 8.8 million bales of cotton compared with nearly 10 million bales last season, a decrease of 12 percent. This decline has been due mainly to a decrease in purchases by European countries. The United States, though still the world's leading cotton-exporting country, has shipped only 38 percent of the total compared with 56 percent last season and 64 percent for the 10-year period, 1923-24 to 1932-33. British India and Egypt have been second and third, respectively.

The United States has exported 3,280,000 bales of cotton during the August-May period this year, compared with 7,524,000 bales for the 10-year average. This is a decrease of 56 percent. Shipments to the United Kingdom have dropped from 1,686,000 bales for the 10-year average to 403,000 bales this season. Purchases by Germany have also declined sharply. Japan, though taking less cotton than average, has been the largest foreign market for American cotton.

During the current season, British India has exported 2,170,000 bales. Though this figure is below that for the 10 years, 1923-24 to 1932-33, it is 57 percent above the low level of last year. Japan, the

leading market for the Indian fiber, has purchased 843,000 bales compared with 558,000 bales last season. Exports to China have increased from 55,000 bales last season to 423,000 bales for the current season, putting China in second place as a purchaser of Indian cotton.

From August through May of the current season, exports from Egypt have been slightly less than for the same months of last season, but are 18 percent above the figures for the 10-year average. The United Kingdom and Germany have been the leading markets for Egyptian cotton.

During the current season, Brazil has exported 986,000 bales of cotton, the highest exports for a comparable period on record. This was 11 percent of the world total. Japan and Germany together took almost half of the season's exports. There has also been an unusual increase in China's purchases this year.

COTTON: Summary of world exports, August-May, average 1923-24 to 1932-33, and seasons 1935-36 to 1938-39

Exporting countries	August-May				
	Quantity				
	Average 1923-24 to 1932-33	1935-36	1936-37	1937-38	1938-39
United States..	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
British India..	7,524	5,792	5,322	5,584	3,280
Egypt	2,332	2,589	3,059	1,385	2,170
Brazil.....	1,292	1,509	1,681	1,561	1,522
Peru.....	80	472	741	774	a/ 986
Argentina.....	150	258	248	224	263
Sudan.....	56	145	131	19	73
China.....	86	163	215	199	a/ 216
Total.....	b/ 242	178	229	242	267
	11,762	11,106	11,626	9,988	8,777
	Percentage of total				
	Percent	Percent	Percent	Percent	Percent
United States..	64	52	46	56	58
British India..	20	23	26	14	25
Egypt	11	14	15	16	17
Brazil.....	1	4	6	8	11
Peru.....	1	2	2	2	3
Argentina.....	c/	1	1	c/	1
Sudan.....	1	2	2	2	2
China.....	2	2	2	2	3
Total.....	100	100	100	100	100

Compiled from official sources.

a/ Partially estimated. b/ Estimated on the basis of annual average exports distributed according to seasonal movement during the 6 years ended September 1937. c/ Less than 0.5 percent.

COTTON: Exports from principal exporting countries, August-May,
average 1923-24 to 1932-33, and seasons 1936-37 to 1938-39 a/

Destination of exports from principal exporting countries	August-May							
	Quantity				Percentage of total			
	Average 1923-24 to 1932-33	1936-37	1937-38	1938-39	Average 1923-24 to 1932-33	1936-37	1937-38	1938-39
Exports from the United States to	1,000 bales	1,000 bales	1,000 bales	1,000 bales	Percent	Percent	Percent	Percent
Germany*.....	1,734	628	676	314	23	12	12	10
United Kingdom....	1,686	1,112	1,596	403	22	21	29	12
France.....	821	676	753	355	11	13	14	11
Italy.....	640	362	496	267	9	7	9	8
Spain.....	276	b/	1	17	4	c/	c/	1
Belgium.....	179	156	192	89	2	3	3	3
Soviet Union d/..	141	1	b/	0	2	c/	c/	0
Netherlands.....	151	90	120	70	2	2	2	2
Sweden.....	55	86	85	94	1	2	1	3
Portugal.....	41	36	36	11	1	1	1	c/
Poland & Danzig..	21	170	216	161	c/	3	4	5
Other Europe.....	59	118	257	288	c/	1	4	8
Total Europe....	5,784	3,435	4,434	2,069	77	65	79	63
Canada.....	168	277	231	198	2	5	4	6
Japan.....	1,300	1,538	617	848	16	29	11	26
China.....	257	15	23	84	3	c/	c/	3
British India....	79	14	147	3	1	c/	3	c/
Other countries..	16	43	132	78	1	1	3	2
Total.....	7,524	5,322	5,584	3,280	100	100	100	100
British India to								
Japan.....	1,100	1,733	558	843	47	57	40	39
Italy.....	255	173	76	68	11	6	5	3
China.....	252	10	55	423	11	c/	4	20
Germany.....	164	148	105	135	7	5	8	6
Belgium.....	157	255	99	94	7	8	7	4
United Kingdom...	149	413	214	284	6	14	15	13
France.....	119	106	70	117	5	3	5	5
Spain.....	52	b/	1	e/ 2	2	c/	c/	c/
Netherlands.....	32	45	26	e/ 29	1	1	2	1
Other countries..	52	176	181	175	3	6	14	9
Total.....	2,332	3,059	1,385	2,170	100	100	100	100

* Includes shipments through the free port of Bremen, much of which is afterward shipped to other countries. According to German official trade returns, imports of American cotton for consumption in Germany amounted to 160,000 bales in August-May, 1938-39; 266,000 bales in 1937-38; 168,000 bales in 1936-37.

COTTON: Exports from principal exporting countries, August-May average 1923-24 to 1932-33, and seasons 1936-37 to 1938-39-Continued

Destination of exports from principal exporting countries	August-May				Percentage of total			
	Quantity				Average			
	Average:		1936-37	1937-38	1923-24		1936-37	1937-38
	1923-24 to 1932-33				1923-24 to 1932-33			
Exports from Egypt to	1,000 bales	1,000 bales	1,000 bales	1,000 bales	Percent	Percent	Percent	Percent
United Kingdom....	507	574	509	498	39	34	33	33
France.....	167	189	211	167	13	11	14	11
United States....	152	58	34	35	12	3	2	2
Germany f/.....	93	126	193	176	7	8	12	12
Italy.....	86	97	103	96	7	6	7	6
Japan.....	58	205	72	134	4	12	.5	9
Switzerland.....	57	71	69	67	4	4	4	4
Spain.....	42	0	1	16	3	0	c/	1
Czechoslovakia....	27	70	52	42	2	4	3	3
British India....	22	81	121	76	2	5	8	5
Poland & Danzig...	11	29	37	38	1	2	2	2
Other countries...	70	181	159	177	6	11	10	12
Total.....	1,292	1,681	1,561	1,522	100	100	100	100
August-April								
Exports from Brazil to								
Japan.....		75	65	206		11	10	24
Germany.....		215	337	187		32	51	22
United Kingdom....		211	143	154		32	21	18
China.....		17	11	87		3	2	10
France.....		34	36	78		5	5	9
Italy.....		40	6	45		6	1	5
Netherlands.....		17	9	21		3	1	2
Belgium-Luxem....		20	17	18		3	3	2
Poland.....		15	11	g/14		2	2	2
Portugal.....		18	25	g/ 9		3	4	1
Other countries...		1	1	23	c/	c/	c/	5
Total.....	h/77	663	661	842	100	100	100	100

Compiled from official sources.

a/ Bales of 478 pounds net except for the United States, which are 500 pounds gross.

b/ Less than 500 bales.

c/ Less than 0.5 percent

d/ Beginning January 1, 1935, includes Russia in Asia.

e/ 9 months, August-April.

f/ Beginning January 1, 1938, includes Austria.

g/ 8 months, August-March.

h/ No data available by countries.

INDIAN OILSEED CROPS REDUCED

The final official estimates of the 1938-39 flaxseed, rape, and mustard crops for all India show an increase in area but a decrease in production, compared with the revised final estimates for 1937-38, according to a report from the American consulate at Bombay. Flaxseed production declined 3 percent and rape and mustard about 11 percent from that of the previous year.

INDIA: Area and production of specified oilseeds,
1934-35 to 1938-39

Year	Flaxseed		Rape and mustard	
	Area	Production	Area	Production
	acres	short tons	acres	short tons
1934-35	1,000 3,410	1,000 470	1,000 5,338	1,000 1,008
1935-36	3,457	435	5,333	1,072
1936-37	3,677	470	5,889	1,080
1937-38	3,890	516	5,461	1,147
1938-39	3,894	498	5,462	1,027

Exports of flaxseed during the calendar year 1938 were 29 percent greater than in 1937, and the first 3 months of 1939 show an increase of 85 percent over the same period a year earlier. The bulk of the flaxseed exports go to the United Kingdom. Shipments to the United States declined from 35,000 short tons in 1935 to 15 tons in 1938. Exports of rapeseed go almost entirely to European countries. During 1937 and 1938, the United Kingdom was the principal market. Practically all mustard-seed exports are taken by France.

INDIA: Exports of flaxseed, rapeseed, and mustard seed,
1935-1938 and January-March 1938 and 1939

Year	Flaxseed	Rapeseed	Mustard seed
	Short tons	Short tons	Short tons
1935	144,780	11,468	2,266
1936	346,665	34,838	2,613
1937	247,832	44,582	2,876
1938	319,827	23,163	2,942
January-March 1938	41,243	10,709	842
1939	76,167	689	715

NATIVE TOBACCO IN JAVA AND MADURA

Approximately 363,000 acres of native tobacco ^{1/} were harvested in Java and Madura during the calendar year 1938 compared with 370,000 acres in

^{1/} The two broad production groups are estate tobacco, produced on estates managed after the European method, and native tobacco grown without supervision. Official data for the native crop are available only for area.

1937, according to a report received from American Consul Frederik van den Arend at Surabaya. Generally speaking, 1938 was a less favorable season than 1937 for native tobacco in most of the growing regions. This was especially true in the Bodjonegoro area where weather conditions were exceptionally unfavorable.

The normal planting season for the native crop is from April to September, and harvest takes place throughout the middle and latter part of the calendar year. Unimportant quantities of late plantings, however, are sometimes harvested in the first part of the following year and are included with the harvest of tobacco planted in that year. Thus, in January 1939 about 12,000 acres of the 1938 plantings were harvested and will be included with the harvest of 1939. About 69,000 acres were planted in 1939 through April, and the condition is reported to be generally favorable. Young plants are doing well in all of the producing regions.

TOBACCO CROP CONDITIONS IN CANADA

The tobacco crop of Canada for the current season was reported by the Dominion Bureau of Statistics as being generally in good condition at the end of June. Although transplanting was delayed by the late spring, weather conditions during June favored early growth, particularly in Ontario and the southern tobacco-growing district of Quebec. Wind damage necessitated extensive replanting, both in the Norfolk district and the flue-cured area in Quebec. The worst wind damage was apparently in the less protected areas of lighter soil in the Norfolk district, where it is estimated that about 10,000 acres of flue-cured tobacco were blown out by high winds during the middle of June. These areas were all replanted. Wireworm damage also necessitated extensive replanting in the Norfolk district, and consequently the stand of plants in many fields is very uneven. This will eventually result in uneven ripening, which may cause some concern at harvesttime. Black root-rot is in evidence in the Norfolk district, and some loss from this disease is indicated.

Soil moisture in the Norfolk district was quite low during June and, as a result, the crop as a whole established a good root system, which facilitated rapid growth. Aside from the uneven stand in many fields of both flue-cured and Burley, the crop looks promising; and, with favorable weather conditions throughout the remainder of the season, a large production in Ontario is again in prospect.

CUBAN PINEAPPLE EXPORTS LOW

Shipments of pineapples in bulk from Cuba to the United States declined from 4,900,000 pounds during the first 6 months of 1938 to 1,600,000 pounds for the same period this year, according to a report from American Consul Cyril L. F. Thiel at Habana. Exports during June totaled only 270,000 pounds, contrasted with 3,300,000 pounds during June 1938. Pineapples shipped in bulk go to canneries in the United States; and the decline in

the quantity of bulk pineapples exported is, to a considerable extent, a consequence of the transfer of some of the United States plants to Cuba. As a result of these shifts, exports of canned pineapples from Cuba are expected to show a compensatory increase. Exports of crated pineapples during the 6-month period January-June 1939 totaled 1,200,000 crates, compared with less than a million crates shipped during the corresponding period a year ago. Exports during June 1939 amounted to 352,000 crates, compared with 171,000 crates shipped during the same month last year.

CUBAN AVOCADO EXPORTS HEAVY IN JUNE

Exports of avocados to the United States from Cuba during June, the first month of the new shipping season, totaled 1,233,000 pounds, an increase of nearly 40 percent over shipments during June 1938, according to American Consul Cyril L. F. Thiel at Habana. Cuba supplies practically all the United States imports of avocados, though Mexico usually ships a small quantity. During the 1938 season, exports from Cuba totaled nearly 10 million pounds, compared with a total of 12 million pounds in 1937.

ITALIAN LEMON PROSPECTS LESS FAVORABLE

Prospects for an average Verdelli lemon crop in the Palermo district of Italy this summer are less promising than they were earlier in the season, according to a recent report from American Vice Consul Paul J. Reveley at Palermo. First pickings of the new crop were satisfactory in quality and quantity; but, while there is no danger of an unusually light crop, a shortage of summer lemons may develop in August.

Unfavorable weather during the blossoming period and the heavy crop taken from the trees last season have led to the general expectation that the lemon crop next winter will be lighter than the 1938-39 harvest. The mal secco disease is reported to have infected a larger number of trees in the Messina district this year, and outbreaks of the disease have appeared in Palermo.

JAPAN-AUSTRALIA WOOL-BUYING ARRANGEMENT

Japan's political and economic conditions have prevented the renewal of the trade agreement with Australia, which expired on June 30. Under the new informal arrangement for the year beginning July 1, 1939, which can be terminated at any time, Japan will continue to purchase two-thirds of its wool requirements from Australia. Last season Japan agreed to take between 350,000 and 400,000 bales (of about 300 pounds) of wool from Australia on condition that Australia buy 51,250,000 square yards of cotton piece goods and a similar quantity of artificial rayon textiles. Australian purchases of Japanese textiles in the new fiscal year are not to exceed this maximum. Japanese purchase of Australian wool for the 11 months July 1, 1938, to May 31, 1939, totaled 225,368 bales.

HOGS AND PORK PRODUCTS: Indices of foreign supplies and demand,
October-May, 1935-36 to 1938-39

Country and item	Unit	October-May					
		1909-10 to 1913-14	1924-25 to 1938-39 average	1935-36	1936-37	1937-38	1938-39
<u>UNITED KINGDOM:</u>							
Supplies, domestic	1,000						
fresh pork, London	pounds	-	42,025	62,106	58,338	50,378	49,514
Imports -							
Bacon -							
Denmark	"	162,459	333,487	260,012	247,319	253,459	249,259
Ireland	"	-	36,682	35,797	37,417	37,852	36,943
United States ..	"	124,784	74,687	1,087	935	1,300	5,576
Canada	"	27,289	50,282	67,767	112,901	106,200	93,231
Total.....	"	342,486	600,691	484,463	518,867	522,386	533,482
Ham, total	"	60,729	81,403	44,607	48,048	50,762	51,037
Lard, total	"	148,270	181,212	109,588	108,775	125,101	115,832
<u>CANADA:</u>							
Slaughter -							
Hogs, inspected...	1,000's	1,154	1,880	2,119	2,941	2,514	2,240
<u>GERMANY:</u>							
Imports -	1,000						
Bacon, total	pounds	1,855	12,065	16,497	13,440	9,710	12,703
Lard, total	"	138,404	150,588	68,054	44,226	63,426	52,660
<u>UNITED STATES:</u>							
Slaughter -							
Hogs, inspected ..	1,000's	22,467	32,856	20,934	26,775	24,655	28,079
Exports -							
Bacon -	1,000						
United Kingdom ..	pounds	87,643	45,404	423	499	759	1,298
Germany	"	1,204	7,931	29	0	138	277
Cuba	"	5,114	14,027	775	659	656	538
Total	"	119,927	96,436	1,884	1,952	4,319	6,866
Ham, shoulders -							
United Kingdom ..	"	92,422	95,006	23,739	20,009	29,342	33,055
Total	"	107,272	113,979	25,780	23,617	33,484	38,166
Lard -							
United Kingdom ..	"	118,283	115,919	44,606	38,228	96,149	109,239
Germany	"	98,123	130,674	4,441	1,201	2,284	648
Cuba	"	24,895	54,772	15,212	23,345	33,078	35,230
Netherlands	"	26,136	29,392	40	28	85	111
Total	"	326,974	500,470	67,934	62,795	147,924	174,272

Compiled from official sources.

HOGS AND PORK PRODUCTS: Foreign and domestic average prices per 100 pounds,
May 1939 with comparisons

Item	1909-1913 average	1925-1929 average	May 1938	Apr. 1939	May 1939
	Dollars	Dollars	Dollars	Dollars	Dollars
Hogs, Chicago - basis packers' and shippers' quotations	7.81	11.13	8.20	6.92	6.67
Corn, Chicago - No. 3 Yellow	1.16	1.71	1.04	0.87	0.91
Lard, Chicago	10.68	14.74	9.25	7.28	7.50
Liverpool	11.80	15.16	10.56	7.70	7.82
Cured Pork, Liverpool - American short cut green hams	14.80	24.39	20.51	19.37	19.38
American green bellies	-	21.19	14.50	14.26	13.73
Danish Wiltshire sides	15.60	25.16	22.70	20.29	18.71
Canadian green sides	14.64	22.76	20.24	17.13	15.99

Compiled from official sources.

WHEAT: Closing Saturday prices of July futures

Date	Chicago	Kansas City	Minneapolis	Winnipeg a/	Liverpool a/	Buenos Aires b/				
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
High c/.	83	79	78	75	92	82	116	67	103	63
Low c/.	69	65	64	60	75	69	90	54	85	52
June 24	78	70	73	65	87	74	106	58	96	55
July 1	73	70	67	64	84	74	101	60	96	56
8	71	67	65	62	81	71	98	55	92	53
15	69	66	64	61	82	70	96	54	96	52

a/ Conversions at noon buying rate of exchange. b/ Prices are of day previous to other prices. c/ April 1 to July 15, 1939, and corresponding dates for 1938.
d/ June and July futures.

WHEAT: Weekly weighted average cash price at stated markets

Week ended	All classes	No. 2	No. 1	No. 2 Hard	No. 2	Western				
	and grades six markets	Hard Winter	Dk. N. Spring	Amber Durum	Red Winter	White Seattle a/				
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
High b/.	91	84	87	79	116	89	101	82	86	85
Low b/.	70	67	69	65	95	77	75	69	69	68
June 24.	83	72	77	69	106	82	92	73	80	75
July 1.	73	71	73	70	105	83	84	75	71	72
8.	70	69	69	69	97	81	83	72	69	70
15.	70	67	71	65	98	81	83	69	69	68

a/ Weekly average of daily cash quotations, basis No. 1 sacked.
b/ April 8 to July 15, 1939, and corresponding dates for 1938.

FEED GRAINS AND RYE: Weekly average price per bushel of corn, rye, oats, and barley at leading markets ^{a/}

Week ended	Corn				Rye				Oats		Barley	
	Chicago		Buenos Aires		Minneapolis		Chicago		Minneapolis			
	No. 3 Yellow	Futures	Futures		No. 2		No. 3 White		No. 2			
	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High ^{b/} ...	61	53	62	53	90	64	77	55	34	35	83	57
Low ^{b/} ...	55	47	56	46	59	46	51	42	28	30	54	44
			Sept.	Sept.	Sept.	Aug.						
June 17...	58	51	59	51	c/ 61	51	57	52	28	35	57	54
24...	57	51	59	50	61	50	56	47	29	33	57	50
July 1...	56	49	59	49	62	50	55	46	28	32	58	50
8...	58	49	59	49	62	50	53	45	28	31	56	47
15...	60	48	60	46	62	47	54	42	28	30	54	44

^{a/} Cash prices are weighted averages of reported sales; future prices are simple averages of daily quotations. ^{b/} For period January 1 to latest date shown.

^{c/} July futures.

FEED GRAINS: Movement from principal exporting countries

Commodity and country	Exports for year		Shipments, week ended ^{a/}			Exports as far as reported		
	1937-38; 1938-39	July 1	July 8	July 15	July 1 to b/	1938-39; 1939-40 b/		
BARLEY, EXPORTS: ^{c/}	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States ...	17,614	11,165	42	9	30	July 15	261	39
Canada	14,014	16,537						
Argentina.....	10,241	8,621	0	0	0	July 15	0	0
Danube & U.S.S.R.	19,983	26,005	83	33	67	July 15	307	100
Total.....	61,852	62,328					568	139
OATS, EXPORTS: ^{c/}	12,331	5,013	1	0	0	July 15	97	0
United States ...	8,504	13,738						
Canada	28,505	19,035	489	386	90	July 15	668	476
Argentina.....	160	30	0	0	0	July 15	0	0
Total.....	49,500	37,816					765	476
CORN, EXPORTS: ^{d/}	1936-37; 1937-38:					Oct. 1 to	1937-38; 1938-39	
United States....	432	139,893	47	4	25	July 15	108,115	30,978
Danube & U.S.S.R.	25,835	9,790	420	77	120	July 15	8,993	19,080
Argentina.....	401,722	132,495	5,263	4,658	4,264	July 15	101,750	111,688
South Africa.....	24,781	23,949	103	223	214	July 15	19,558	11,490
Total.....	452,770	306,127					238,416	173,236
United States imports	103,670	1,819				May 31	1,746	267

Compiled from official and trade sources. ^{a/} The weeks shown in these columns are nearest to the date shown. ^{b/} Preliminary. ^{c/} Year beginning July 1. ^{d/} Year beginning October 1.

EXCHANGE RATES: Average values in New York of specified currencies,
July 14, with comparisons a/

Country	Monetary unit	Year 1938	Month				Week ended <u>b/</u>			
			1937		1938		1939		1939	
			June	June	May	June	June	July 30	July 7	July 14
Argentina	Paper peso	32.60	32.90	33.05	31.21	31.22	31.21	31.21	31.21	31.21
Canada	Dollar	99.42	99.94	98.91	99.62	99.77	99.72	99.71	99.71	99.78
China	Shang.yuan	21.36	29.65	18.84	15.99	13.43	12.97	12.74	12.67	
Denmark	Krone	21.82	22.03	22.13	20.89	20.90	20.89	20.89	20.89	20.90
England	Pound	488.94	493.55	495.80	468.12	468.24	468.11	468.09	468.09	468.16
France	Franc	2.88	4.44	2.78	2.65	2.65	2.65	2.65	2.65	2.65
Germany	Reichsmark	40.16	40.07	40.27	40.12	40.11	40.10	40.11	40.11	40.11
Italy	Lira	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26	5.26
Japan	Yen	28.45	28.71	28.88	27.28	27.28	27.28	27.28	27.28	27.48
Mexico	Peso	22.12	27.75	20.91	20.02	19.75	18.62	17.68	16.89	
Netherlands	Guilder	55.01	54.98	55.34	53.60	53.17	53.08	53.08	53.08	53.13
Norway	Krone	24.57	24.80	24.91	23.52	23.52	23.52	23.52	23.52	23.52
Sweden	Krona	25.20	25.44	25.56	24.11	24.11	24.10	24.10	24.10	24.11
Switzerland	Franc	22.27	22.88	22.89	22.48	22.55	22.53	22.54	22.54	22.54

Federal Reserve Board. a/ Noon buying rates for cable transfers. b/ 5-day average. No Saturday rates will be available during July and August.

WHEAT, INCLUDING FLOUR: Shipments from principal exporting countries, as given by current trade sources, 1937-38 to 1939-40

		Total		Shipments 1939			Shipments	
		shipments	1937-38	1938-39	July 1	July 8	July 15	July 1-July 15
		bushels	bushels	bushels	bushels	bushels	bushels	bushels
North America <u>a/</u>		184,720	245,296	3,888	5,372	2,868	6,752	8,240
Canada <u>b/</u>		94,546	169,885	3,400	3,100	-	<u>c/</u> 1,800	<u>c/</u> 3,100
United States <u>d/</u>		83,589	94,157	1,480	1,147	504	3,072	1,651
Argentina		66,928	114,272	3,700	4,282	3,745	4,208	8,027
Australia		127,520	102,116	1,836	1,459	1,867	4,396	3,326
Soviet Union		42,248	39,824	0	408	680	1,416	1,088
Danube and Bulgaria <u>e/</u>		37,232	52,848	2,160	1,032	1,240	488	2,272
British India <u>a/</u>		<u>f/</u>	19,677	6,280	0	0	1,432	0
Total <u>g/</u>		478,325	560,636				18,692	22,953
Total European								
shipments <u>a/</u>		397,592	450,784	9,848				
Total ex-European								
shipments <u>a/</u>		99,400	146,760	2,640				

Compiled from official and trade sources. a/ Broomhall's Corn Trade News.

b/ Official exports as reported to date, supplemented by reported weekly clearances of wheat and estimates of flour shipments. c/ Week ended July 8 only.

d/ Official reports received from 16 principal ports, only. e/ Black Sea shipments only. f/ Official. g/ Total of trade figures includes North America as reported by Broomhall.

Foreign Crops and Markets

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